



Important Health Insurance Changes for 2015

Open Enrollment Period:
October 6 - October 31, 2014

Changes effective January 1, 2015



This presentation
contains audio

State and UW Employees
Benefit and Network Plan Changes

Wisconsin Public (Local) Employees
Benefit and Network Plan Changes

High Deductible
Health Plan
(HDHP)

Health Savings
Account
(HSA)

HDHP and HSA Scenarios

New Health Plans

Arise Health Plan Southeast

Offered in seven counties in southeast Wisconsin: Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington and Waukesha

WEA Trust - Northwest Mayo Clinic Health System

Current members in WEA Trust - Northwest who selected Mayo Clinic as their care system for 2014 will automatically be moved into this new plan, which is offered in Barron, Buffalo, Chippewa, Dunn, Eau Claire, Pierce, St. Croix and Trempealeau counties

Note: out-of-pocket costs for out-of-network care will be higher

Health Plan Name Change

WEA Northwest changed their name to
WEA Northwest Chippewa Valley
in order to clarify which doctors are
in the network

Members currently using the Chippewa Valley Network
will automatically be enrolled in 2015

Health Plan Provider Network Changes

Health Plan	County
Arise Health Plan Northern	Added providers in Door and Waushara
Dean Health Insurance	Added providers in Waukesha
Group Health Cooperative of Eau Claire	Expanding into Clark, Iron, Langlade, Lincoln, Marathon, Oneida, Price, Taylor and Vilas
GHC of South Central Wisconsin	Expanding into Columbia, Marquette and Sauk
HealthPartners Health Plan	Newly qualified in Ashland, Barron, Chippewa, Clark, Eau Claire, La Crosse, Marathon, Monroe, Sawyer and Washburn
Physicians Plus	Expanding into Dodge, Juneau, Vernon, Walworth, Waukesha and Wood counties
State Maintenance Plan (SMP)	Now offered in Vilas

Changes to Dental Care

New Vendor

Dean Health Plan, Dean Prevea360 and Gundersen Health Plan will now use **Delta Dental** as their dental vendor

Members will have access to Premier or PPO Delta Dental networks and should verify if their current dentists are in-network

Dental Benefit

Oral evaluations for children age 10 and under will be covered as preventive services under the new HDHP

Medicare Prescription Drug Administrator Change

Medicare Part D (Navitus MedicareRx) coverage for eligible members will be provided by Dean Health Insurance, Inc., rather than Sterling Life Insurance Company

This change will not affect benefits members receive or who members contact about their coverage

New ID Cards

Navitus will issue new ID cards, showing Dean Health Insurance, Inc as the new underwriter

Puerto Rico

is now included in the service area

Federal Requirement

Dependent Social Security Numbers

In 2015, the Patient Protection and Affordable Care Act (PPACA) will require subscribers to provide Social Security numbers for all dependents if they have not already done so

Employers will contact members if this information is not on file

Employee Reimbursement Accounts (ERA) Program

New Third
Party
Administrator

Total Administrative Services
Corporation (TASC) will
administer the ERA Program
in 2015

\$500
Carryover

Remaining balances of up to
\$500 may be carried over into
the next plan year

Taxability of Wellness Incentives Beginning 2014

The IRS considers financial
reimbursements for
wellness-related expenses
such as gym memberships,
and fitness classes, etc., to
be a fringe benefit of
employment

Financial reimbursements
for these benefits must be
treated as a taxable wage,
subject to income and
payroll tax

Taxability of Wellness Incentives Beginning 2014

ETF will collect incentive payment information from health plans for distribution to employers

ETF determines taxable wage reporting for annuitants

Withholdings for all incentives issued during the calendar year will be reflected on employee December pay stubs

Health plans will report and issue November and December incentive payments in the next calendar year

Remember, your health information is protected by federal privacy regulations and will not be shared with employers

Optional Plans: Enrollment Opportunities

Anthem DentalBlue

Hartford Accidental Death and Dismemberment (AD&D)
(year-round enrollment)

EPIC Dental WI

Vision Service Plan (VSP)
(Active and Annuitant)

EPIC Benefits+

Aflac
(Pays members for accidental injuries)

Only active employees may newly enroll during this year's It's Your Choice Open Enrollment period

Optional Plans: Dental Changes

Anthem DentalBlue

Supplemental coverage will increase from 50% to 60% for major restorative services: including crowns, bridges and endodontics (no change in premium)

Epic Dental Wisconsin

10% decrease in premiums for active subscribers in the PPO plan

Optional Plans: EPIC Benefits+

100% increase in hospital and surgical benefits

Example:

Outpatient surgery benefit increases from \$100 to \$200 per day

50% increase in Accidental Death and Dismemberment (AD&D) benefits for active and COBRA members only

Examples:

Employee \$10,000 → \$15,000
Spouse \$5,000 → \$7,500

Enhanced benefits for optional vision materials rider

Examples:

- Frames allowance has gone from \$100 to \$130
- Improved coverage for contact lenses

Optional Plans Important Information

Examine waiting periods, exclusions and limits on benefits when deciding whether to enroll in an optional plan

Anthem DentalBlue, EPIC Dental Wisconsin and EPIC Benefits+ have restrictions and special enrollment opportunities

Contact individual plans for further information

High Deductible Health Plan A New Health Plan Option for 2015

Created as part of Wisconsin's biennial budget (Wisconsin Act 20) and is now state law

Designed to offer lower monthly premium in exchange for a higher deductible and shared health care costs by the member

Under federal law has a minimum annual deductible and a maximum annual out-of-pocket limit (OOPL)

The state also requires enrollment in a Health Savings Account (HSA)

Each health plan will offer an HDHP option

Each plan's HDHP option will provide the same package of benefits after the deductible is met

2015 Monthly Premiums State Employee Contribution*

Plan Tier	Current Uniform Benefits**	HDHP Uniform Benefits
Tier 1 Plan	Single Plan: \$ 92 Family Plan: \$230	Single Plan: \$ 32 Family Plan: \$ 81
Tier 2 Plan	Single Plan: \$136 Family Plan: \$341	Single Plan: \$ 76 Family Plan: \$192
Tier 3 Plan	Single Plan: \$267 Family Plan: \$666	Single Plan: \$207 Family Plan: \$517

*Excludes: state patrol titled classifications and graduate assistants

**In 2015 this will be known as Coinsurance Uniform Benefits

HDHP Details

The HDHP begins paying for health care costs after
the annual deductible has been met

Exception:

Under the Patient
Protection and Affordable
Care Act (PPACA),
preventive services are
covered at 100%,
regardless of the
deductible

The deductible also
applies to dental and
pharmacy benefits

Deductible

The amount you pay before the plan begins to pay for covered services

Annual Deductible

\$1,500 Individual Plan

\$3,000 Family Plan

In a family plan, the entire
\$3,000 deductible
must be met before
coinsurance begins

The deductible is met
when covered expenses are
incurred, even if they are
not yet paid for

Reminder:

The HDHP will not pay ANY medical,
dental or pharmacy costs (except for
preventive services until the annual
deductible has been met

HDHP Out-of-Pocket Limit (OOPL)

Once the deductible is met, services are subject to 90%/10%
coinsurance, up to an overall OOPL

- The OOPL is the maximum amount you could pay out-of-pocket (including the deductible, pharmacy copays and 10% coinsurance) per year

Annual OOPL

\$2,500 Individual plan

\$5,000 Family plan

After the deductible is met,
the standard tiered pharmacy
copays (\$5, \$15, \$35)
apply up to the
out-of-pocket limit

HDHP Eligibility

Eligible:

- State employees and their dependents
- Limited Term Employees who are eligible to participate in the State Group Health Insurance Program
- Annuitants and/or their dependents under age 65
- Local government employees whose employers elect to participate

HDHP Ineligibility

Ineligible:

- Medicare-eligible annuitants 65 and older
- Anyone enrolled in any part of Medicare
- Anyone covered by another health plan, such as a spouse's health plan or TRICARE (includes any covered dependents with other disqualifying insurance including Medicare or TRICARE)
- Those eligible for graduate assistant/short-term academic staff benefits package and not in the WRS
- Those who are a dependent of another person for tax purposes
- State Patrol classifications

HDHP Enrollment

During It's Your Choice . . .
(October 6 to October 31)

Complete a paper application

OR

Enroll online through
MyETF Benefits

Please check with your
employer for their
preferred enrollment process

The
*Group Health Insurance
Application/Change Form
(ET-2301)*

has been revised and now
includes an option to
choose the HDHP

Find it on ETF's website at
etf.wi.gov

Health Savings Account Defined

A tax-free savings
account used to pay for
eligible health care
expenses (medical,
dental, and prescription
drugs) that are not
covered by the health
plan

Established for state
employees enrolled
in the new HDHP

Eligible health care expenses
are determined by the IRS

Third Party Administrator

State: Total Administrative
Services Corporation (TASC)

Local: check with employer

HSA Eligibility

Who is eligible: Those enrolled in the HDHP plan including:

- State employees and their dependents
- Limited Term Employees who are eligible to participate in the State Group Health Insurance Program
- Annuitants under age 65

HSA Ineligibility

Ineligible - Anyone not enrolled in the HDHP plan including:

- Medicare-eligible annuitants 65 and older and anyone enrolled in any part of Medicare
- Anyone covered by another health plan, such as a spouse's health plan or TRICARE (includes any covered dependents with other disqualifying insurance including Medicare or TRICARE)
- Those eligible for graduate assistant/short-term academic staff benefits package and are not in the WRS
- Individuals who are a dependent of another person for tax purposes
- State Patrol classifications

HSA Enrollment

State Employees

Once enrolled in a HDHP plan, must enroll in the state-sponsored HSA before the effective date of the HDHP

How to enroll:

- Online at TASC

When to enroll:

- Following enrollment in the HDHP

Local Government Employees

Check with employer to see whether a savings plan is available

Limited Purpose Flexible Spending Account

State employees enrolled in HDHP and HSA:

Federal law prohibits participation in a regular flexible spending account (FSA), otherwise known as an Employee Reimbursement Account (ERA)

ETF will offer a Limited Purpose Flexible Spending Account (LPFSA)

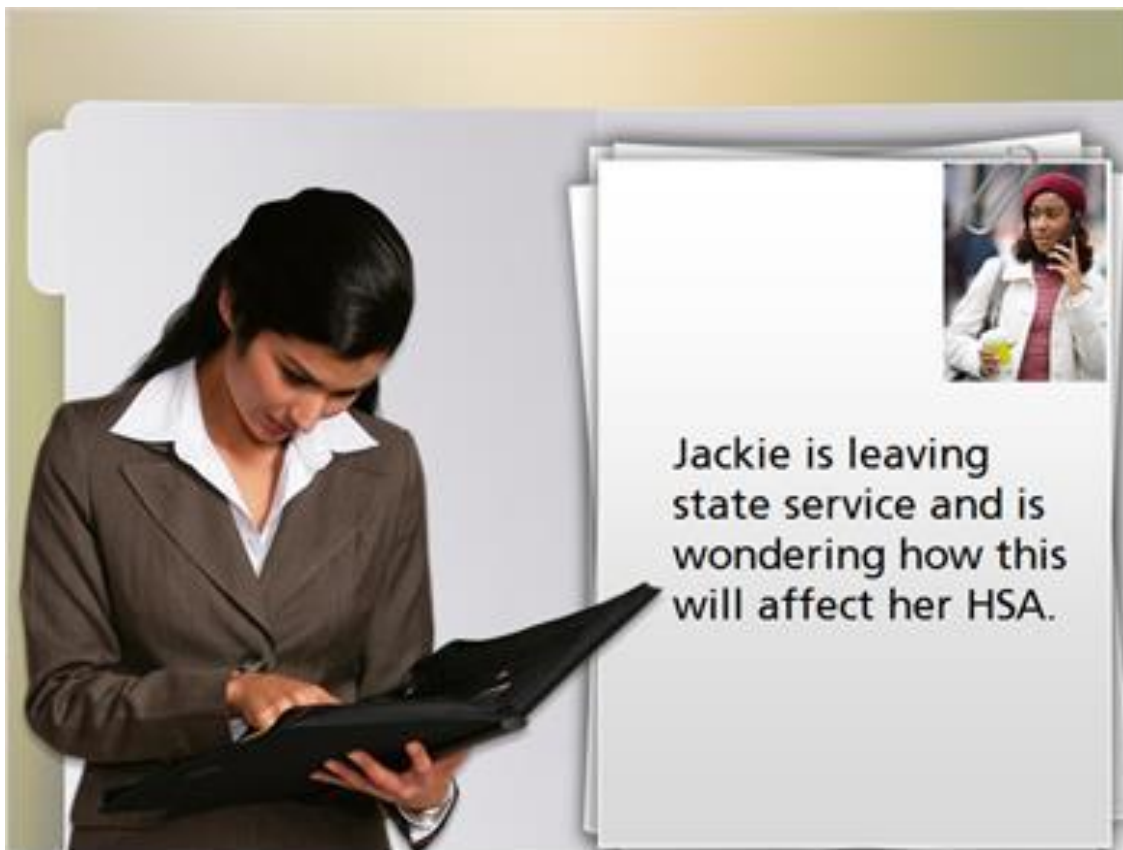
- Can be used for vision, dental and post-deductible expenses only
- Contribution limit for 2015 is \$2,500
- Includes \$500 carryover
- LPFSA also administered by TASC
- Signup online through TASC during It's Your Choice



Call Center Stats
2013

Number of calls
received during It's
Your Choice
Enrollment Period:
13,703

Number of calls each
Specialist takes: 60





Jackie is leaving
state service and is
wondering how this
will affect her HSA.



HSA once employment ends

COBRA- keep HSA, can contribute, no employer contribution

No COBRA- keep HSA, can't contribute, no employer contribution



Dave and Edith

Dave will be turning 65 and enrolling in Medicare this year. Dave currently participates in the HDHP.




Medicare Options




As an active employee:
can remain on HDHP, if he
defers enrollment

If he (or a dependent)
enrolls in Medicare, must
change to a non-HDHP of
his choice



Jim wants to know if
he can use his HSA for
non-medical expenses.







Using a HSA

Pay for approved
medical expenses

- TASC debit card
- TASC website

Contact tax professional



Is HDHP right for me?

Estimated Health Care Usage



Low

If you estimate health care expenses to be low and limited to preventive care, the HDHP may be a good option.

Preventive services are 100% covered by the plan and are not subject to the deductible.

You can contribute funds to the HSA to help pay for any eligible health care expenses. The risk is that you would need to pay for unexpected costs.

Keep in mind that dental services and non-preventive prescription drugs are subject to the deductible.



Moderate

You should determine if the savings in the HDHP premium cost outweighs your anticipated health care expenses.

Your employer will contribute funds to your HSA to help, but what can you afford to contribute? Enough to cover any expenses you incur?

These should be your main considerations when deciding to enroll in the HDHP.



High

The HDHP and HSA may still be a good choice if your priority is saving for future health care expenses or you have significant expenses that will not be capped under the traditional program.

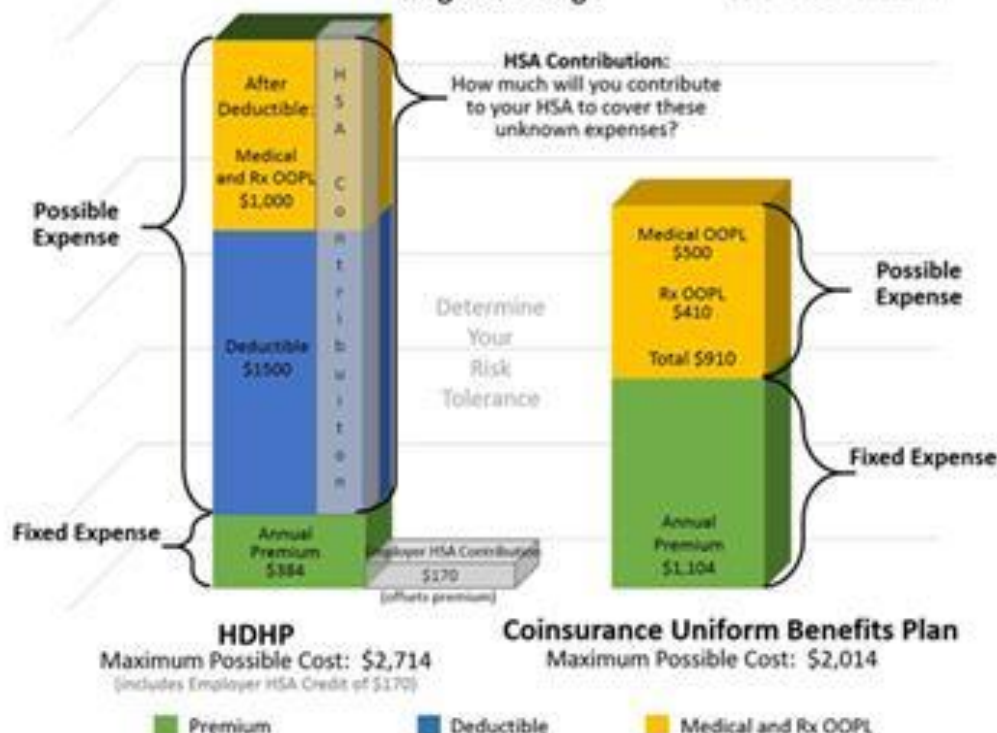
Are you in a financial position to take on the risk?

If you are between the ages of 55 and 65, you may contribute up to the annual limit as well as an additional \$1,000 catch-up contribution.

Estimated Annual Cost Comparison

Single Coverage

OOP, = Out-of-Pocket Limit



Thank you for viewing this presentation

Placeholder for future
survey

Click on the Resources Tab
for more information

New Health Plans

Arise Health Plan Southeast

Offered in seven counties in southeast Wisconsin including:
Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington
and Waukesha

WEA Trust - Northwest Mayo Clinic Health System

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their care system for 2014 will automatically be moved into this new plan

Offered in: Barron, Buffalo, Chippewa, Dunn, Eau Claire, Pierce and St.
Croix counties

Note: out-of-pocket costs for out-of-network care will be higher in 2015

Health Plans No Longer Available

WPS Metro Choice
Northwest and
Southeast

Subscribers who have these plans
must select another plan

State Maintenance
Plan (SMP)

SMP is no longer available in
Marquette and Pepin Counties
Subscribers who have this plan
must select another plan or be
limited to SMP providers
in other areas

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Health Plan Tier Change

Changing
to Tier 3

Group Health Cooperative
Eau Claire

and

Humana Western

Changes to Dental

New Vendor

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Remember, health information is protected
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Who to Contact

Subscriber Information, Family Status or Provider Changes

- Your benefits/payroll/personnel office

Benefits, Participating Providers, Exclusions and Limitations

- Health Plan or Pharmacy Benefit Manager

State-sponsored HSA, ERA or LPFSA

- TASC (Total Administrative Services Corporation)

Applications, Eligibility, Enrollment and General Information

- Benefits/payroll/personnel office
- Annuitants and Continuants should contact ETF